

ePM Quick Reference Guide #26

Potential Change Orders

POTENTIAL CHANGE ORDER CREATION

What are Potential Change Orders?

A Potential Change Order (PCO) identifies cost exposure on a project. It could be the result of an RFI with a cost impact, a request for change from a contractor, a claim from a contractor, a log of future options, etc. User can attach supporting documentation to a PCO. The potential change order is routed via workflow to gather additional backup information, and, when approved, can be merged into a change order with no additional data entry.




Potential Change Orders will appear on the ACR in the “Reservations” column. Line items from approved PCO’s can then be processed into Contract Modifications to prevent duplicate data entry.

WHO WILL USE THIS?

- Construction Manager
- Project Manager

STEPS TO CREATE

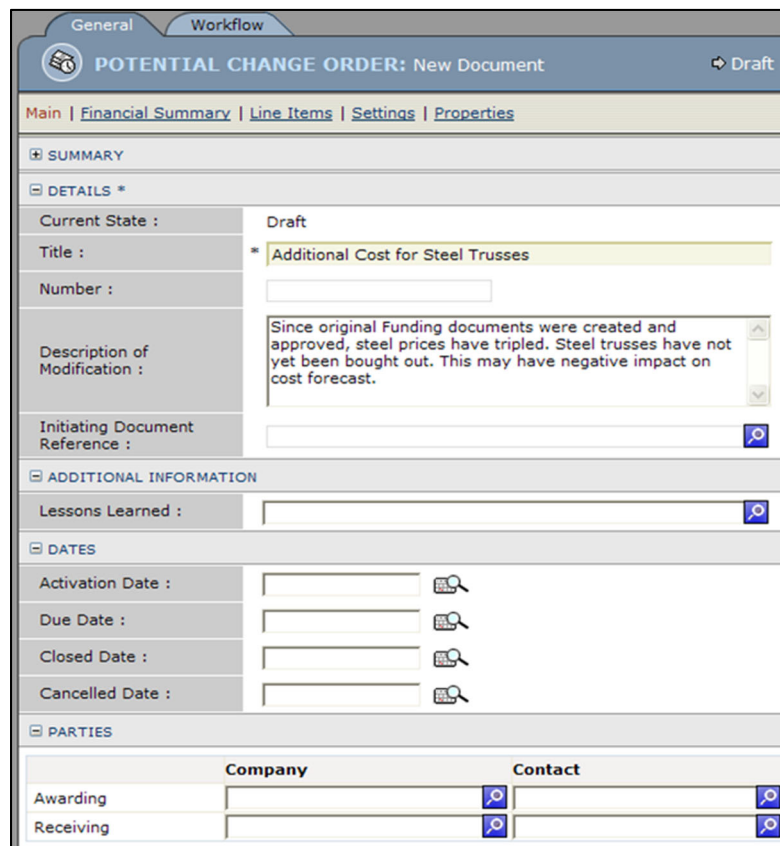
1. Log into ePM as a user with the PCO Creator security role, then navigate to the appropriate project
2. Navigate to the PCO register by clicking on PM Tools > Contract Management > PCOs. The Potential Change Order register displays.

PCO				
<div>    </div> <div> New Delete Sharing Print Export Refresh Help </div>		View Standard		
Number	Title	Current State	Reason Code	
<input type="checkbox"/> 0006	Door D124	Closed		
<input type="checkbox"/> 0018	Equipment / Shipment Delay	Active		
<input type="checkbox"/> 0016	Equipment Delay	Active		
<input type="checkbox"/> 0001	Poor Soil	Active		
<input type="checkbox"/> 0011	Rain Delay	Active		
<input type="checkbox"/> 0015	Rain Delay	Active		
<input type="checkbox"/> 0014	Rain Delay	Active		
<input type="checkbox"/> 0010	Rain Delay	Active		
<input type="checkbox"/> 0008	Rain Delay	Active		
<input type="checkbox"/> 0009	Rain Delay	Active		
<input type="checkbox"/> 0013	Rain Delay	Active		
<input type="checkbox"/> RD0001	Rain Delay 07FEB2019	Active		
<input type="checkbox"/> 0004	Request for Modification	Active		
<input type="checkbox"/> 0007	Schedule Delay	Active		
<input type="checkbox"/> 0017	test	Draft		

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3. Click the 'New' button and a blank PCO document displays.
 - a. On the 'Main' page, enter at least a Title and description.
 - b. In the 'Dates' section, all but the 'Due Date' field will auto populate based on workflow.
 - c. Fields in the 'Parties' section are optional.



POTENTIAL CHANGE ORDER: New Document Draft

[Main](#) | [Financial Summary](#) | [Line Items](#) | [Settings](#) | [Properties](#)

SUMMARY

DETAILS *

Current State : Draft

Title : * Additional Cost for Steel Trusses

Number :

Description of Modification : Since original Funding documents were created and approved, steel prices have tripled. Steel trusses have not yet been bought out. This may have negative impact on cost forecast.

Initiating Document Reference :

ADDITIONAL INFORMATION

Lessons Learned :

DATES

Activation Date :

Due Date :

Closed Date :

Cancelled Date :

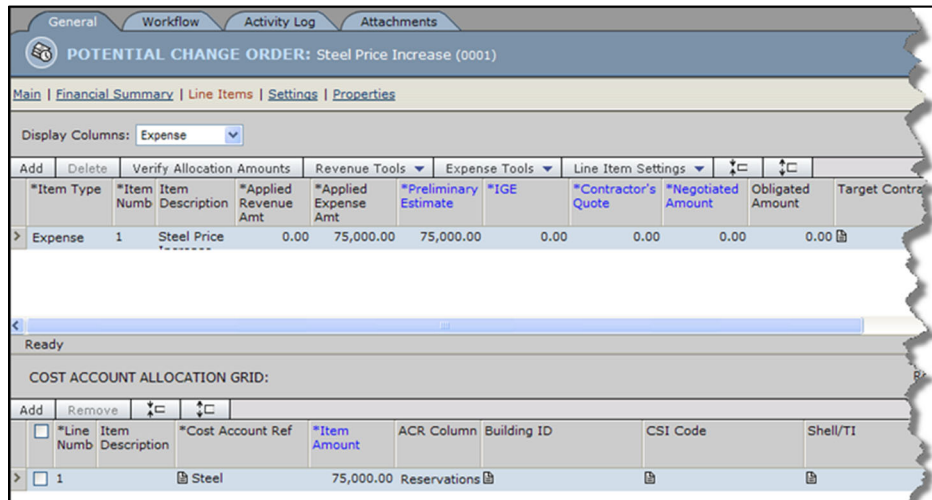
PARTIES

	Company	Contact
Awarding		
Receiving		

4. On the 'Line Items' page, first make sure the 'Display Columns' field displays 'Expense'.

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Then in the upper grid, enter an 'Item Description' and an amount in the 'Preliminary Estimate' field. Whereas in a Contract or Modification, where a single dollar amount is entered per line item and then the document is processed through its workflow, a PCO, once set to 'Active', can accommodate multiple dollar amounts. As the initial 'Preliminary Estimate' becomes more accurate, the more refined amounts can be entered in the 'IGE', 'Contractor's Quote', and 'Negotiated Amount' fields respectively. For reporting purposes, ePM always uses the value in the right-most of these four fields.

User can also select a Contract reference for this PCO, if it is known

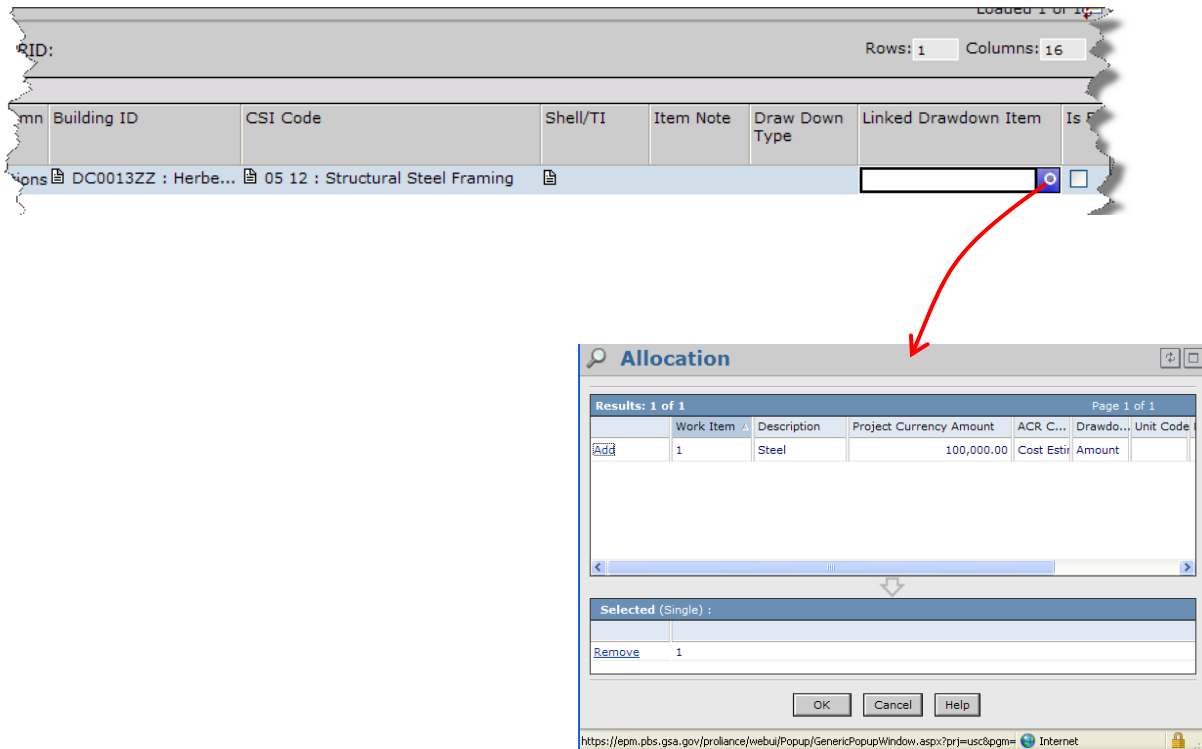
Note: The PCO grid is different than that of a Contract or Contract Modification. The Cost Account Allocation is not shown as a 'child' (like in the Contract and Mod), but rather it appears in a separate grid below the line item. If multiple PCO line items are created, the Cost Account Allocation grid only shows the allocation for the line item that is selected in the upper grid.

In the lower grid, select the appropriate allocation by clicking the lookup icon in the 'Cost Account Ref' field. From the applicable lookup, select a 'Building ID', 'CSI Code', and 'Shell/TI'. Also select a 'Linked Drawdown Item'.

The "Linked Drawdown Item" field links back to the Cost Account selected for each PCO line item, and ensures that project forecast costs are properly reduced should a PCO eventually become a Contract Modification.

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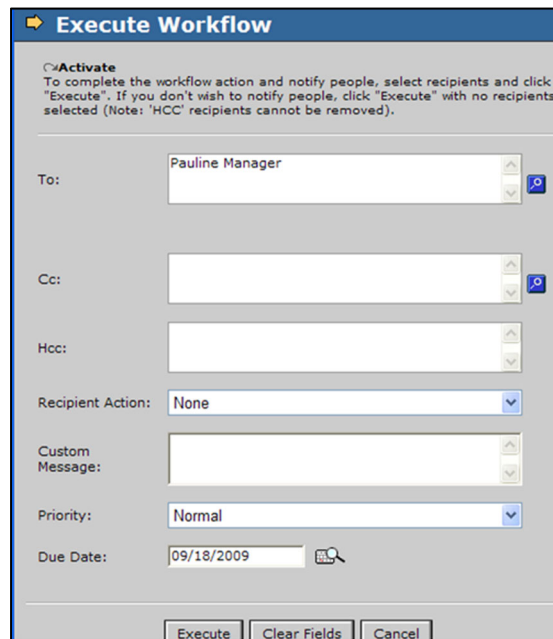


EXECUTE THE WORKFLOW TO ACTIVATE THE PCO

- Click the arrow next to the 'Workflow' button found at the top of the screen, and select 'Activate'. An 'Execute Workflow' dialog box displays, showing who will receive a notice to approve the document (the 'To' box), who will be copied (the 'Cc' box), what action the recipient should take, the message the recipient will see when notified, the priority of this process, and the date the subsequent action is due. These fields are editable- additional users can be notified or copied, the custom message, priority and due date can be changed

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Execute Workflow

☒ **Activate**
 To complete the workflow action and notify people, select recipients and click "Execute". If you don't wish to notify people, click "Execute" with no recipients selected (Note: 'HCC' recipients cannot be removed).

To:

Cc:

Hcc:

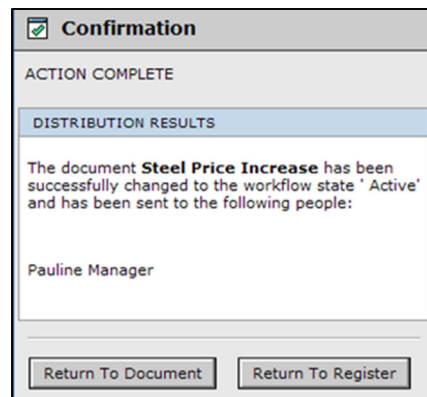
Recipient Action:

Custom Message:

Priority:

Due Date:

- Click 'Execute'. If successful, ePM displays an 'Action Complete' message showing to whom notification has been sent. User has the choice of returning to the PCO Document itself or to the Register which shows all PCO documents on this project.



Confirmation

ACTION COMPLETE

DISTRIBUTION RESULTS

The document **Steel Price Increase** has been successfully changed to the workflow state 'Active' and has been sent to the following people:

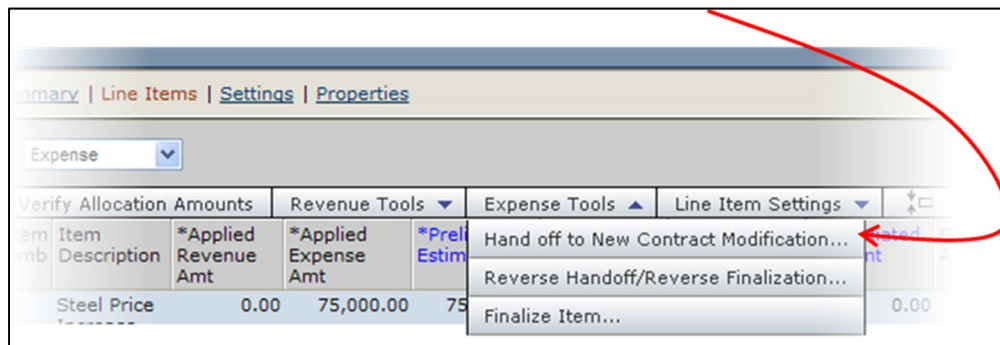
Pauline Manager

CREATE A CONTRACTO MODIFICAITON FROM AND ACTIVE PCO

- Open an Active Potential Change Order. On the "Line Items" page, click the "Expense Tools" button and select "Hand off to New Contract Modification".

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Click 'Yes' when prompted to Save.

8. A wizard launches to walk the user through the process. The first step is to select a Contract with which ePM will associate the resulting Mod.

Note: the first radio button shows a subset of all contracts, filtered to display only those selected as reference contracts (shown in step 4 above). The second radio button would show all

Handoff to New Contract Modification

1 This wizard allows you to select PCO line items and hand them off to new Contract Modifications. Please select the Contract under which the new Modification belongs.

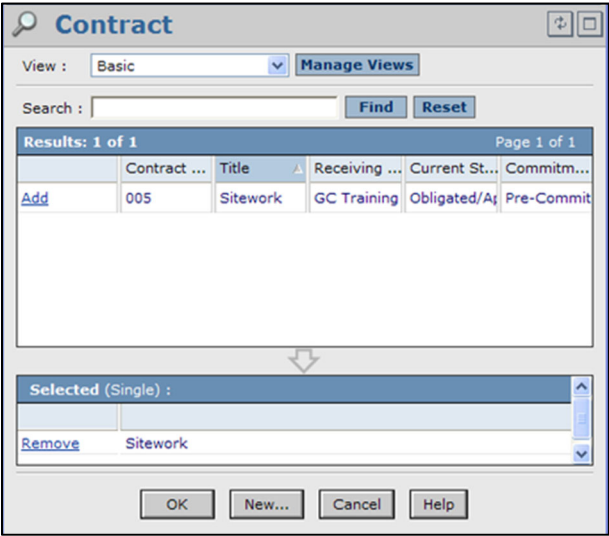
Contract:

☒ Show only target Contracts from open line items in the current PCO
☐ Show all contracts that are not closed or cancelled

9. Clicking the lookup button opens a box showing available contracts. Select one, then click 'OK'.

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Then, back on the wizard step 1 screen, click 'Next'. In step 2 of the wizard, click the 'Add/Remove button'.



10. Select one, multiple, or all Line Items from the picklist, then click 'OK'.

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Cost Event Line Item

Results: 2 of 2 Page 1 of 1

	PCO Number	Item Number	Item Descri...	Applied Exp...	Expense Ap...
Add All	0001	1	Steel Price Inc	75,000.00	Preliminary Ex
Add	0001	2	Masonry Over	15,000.00	Revised Exper

Selected (Multiple) :

[Remove All](#)

[Remove](#) 2

OK Cancel Help

ePM goes back to step 2 of the wizard, and shows the line item(s) selected. Click 'Next'.

- In Step 3 of the wizard, choose whether the Contract Modification will have separate line items for each of the PCO line items imported or it will combine all the PCO lines items into a single line item on the Contract Modification.

Handoff to New Change Order

3 Please select from the SOV options below.

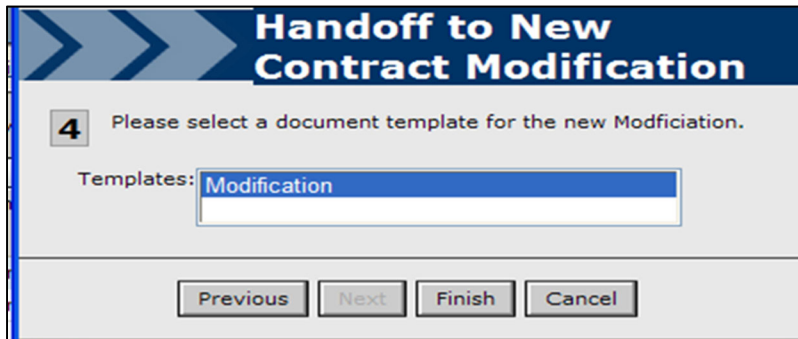
☒ Create one new SOV for each selected PCO Line Item.
☐ Create one new SOV per unique PCO for all selected PCO Line Items

Previous Next Finish Cancel

- Click Next
- Step 4 of the wizard displays the template that will be used to create the new Contract Mod

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Handoff to New Contract Modification

4 Please select a document template for the new Modification.

Templates: Modification

Previous Next Finish Cancel

14. Click 'Finish'. ePM creates the new Contract Modification, using the Title from the PCO. The Schedule of Values page has auto filled line items that were imported from the PCO.

REFERENCES

- QRG 20 – Contract Creation
- QRG 22 – Contract Modification Creation